GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3832
ANSWERED ON:17.08.2001
BONUS SHARES BY IDBI
THAAWAR CHAND GEHLOT

Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Development Bank of India (IDBI) has declared to issue three bonus shares against every five shares to its shareholders;

(b) if so, the details thereof; (

(c) whether the IDBI has mobilized loan from the international market.

(d) if so, the details thereof;

(e) whether the IDBI intend to make investments in Nepal;

(f) if so, the manner in which the proposed investment is likely to be made; and

(g) the details of the investment and participation?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a)& (b): IDBI has issued bonus shares in the ratio of 3:5 to those shareholders whose names were registered with IDBI on the record date i.e. February 26, 2001 in pursuance of adoption of the proposal at the Extra Ordinary General Meeting held on January 23, 2001.

(c) & (d): The details of the IDBI borrowings in the international market are as under :

Instrument	Amt (USD million)	Lender/Arranger	Interest Rate	Period (years)
1998-99				
Nil				
1999-2000				
Syndicated Loan	100	ANZ Investment Bank	LIBOR + 150 bps	5 (Repaid)
Multilateral Line of Credit	50	Nordic Investment Bank	LIBOR+ 110 bps	10 2000-2001
Floating Rate Note	100	Barclays Capital Asia Ltd.	LIBOR 85 bps	4
Syndicated Loan	100	Standard Chartered Bank, Tokyo-Mitsubishi International (HK) Ltd. and Sumitomo bank	LIBOR + 67.5 bps	5

(e) & (f): Yes, Sir. IDBI and Nepal Development Bank Ltd. (NDB) has signed a memorandum of understanding in January 2001IDBI is entering into financial and technical collaboration with NDB by subscribing to 10% of equity holding in NDB amount to Rs.10 million. The technical collaboration involves extending advisory services to NDB in the areas of project finance & appraisal, resource mobilization and merchant banking etc. The proposal has been approved by Board of IDBI in view of the strong Indo-Nepalese relations, potential for investment in Nepal and attendant benefits that are likely to arise with collaboration of NDB.